

LEGISLATIVE COUNCIL INTERIM COMMITTEE ON
PUBLIC TRANSPORTATION AND AIR QUALITY

September 14, 2004

House Majority Caucus Room, Statehouse, Boise, Idaho

MINUTES

(Subject to Approval of the Committee)

The meeting was called to order at 9:00 a.m. by Cochairman Senator Curt McKenzie. Other committee members present were: Cochairman Representative JoAn Wood, Senators Hal Bunderson, John Andreason, Stan Williams, John Goedde, Marti Calabretta, Elliot Werk, and Representatives Dolores Crow, Ann Rydalch, Gary Collins, Clifford Bayer, David Langhorst, and Elaine Smith. Staff members present were Maureen Ingram and Toni Hobbs.

Others present included: Larry Falkner, Charles Rountree, Julie Pipal, Idaho Transportation Department; Jim Brooks, Public Transportation Advisory Council; Mark Carnopis, Kelli Fairless, Jarred Blankenship and Roy Eiguren, Valley Ride; Pete Chertudi, Amalgamated Sugar; Molly Steckel and Clair Bowman, COMPASS; Dennis Turner, Ada County Air Quality Board; Dick Rush, Idaho Association of Commerce and Industry; Russ Hendricks, Idaho Farm Bureau; Elaine Clegg, Idaho Smart Growth; Jess Byrne, Jon Sandoval, Department of Environmental Quality; Ken McClure, Givens Pursley; Mary Barker, Community Transportation Association of Idaho; Bob Flowers, City of Parma; Charles Johnson, Canyon County citizen; Pearl Bouchard, Idaho Association of Area Agencies on Aging; Roger Seiber and Catherine Sanchez, Ada County Highway District; Jessica Flynn, Scott Peyron and Associates; Eric Milstead, Legislative Services; Dan John, Tax Commission; Debbie Maxwell, Treasure Valley Transit; Daniel G. Chadwick, Idaho Association of Counties; Rob Sterling and Mike Reynoldson, Micron; Beth Baird, City of Boise; Matt Beebe, Canyon County Commissioner; Toni Tisdale, Community Planning Association of Southwest Idaho; Rob Hopper, City of Caldwell; Richard Juengling, Commission on Aging; Terry Crawford, Ketchum Area Rapid Transit; and Byron Keely, Local Highway Technical Assistance Council.

Representative Collins moved that the minutes of the August 3, 2004, meeting be approved; Senator Calabretta seconded the motion. The motion passed unanimously on a voice vote.

General James Brooks, Vice Chairman, Public Transportation Advisory Council, discussed at the August 3rd meeting the absence of a statewide transportation policy. Previously in 1997, a year was spent trying to answer the question, "What should be the state's role in public transportation?" The council consulted with providers and interested parties statewide, as well as with ITD staff. There was a first proposal to the legislature in 1998 on public transportation policy which passed the House but failed to get a hearing in the Senate. The next year that very same policy legislation was submitted in the Senate but was not given a hearing. Since then, nothing has been proposed in the way of public transportation policy. The ITD Board has adopted its own policy based primarily on the 1998 legislative proposal, and it has served as an internal guide since then.

General Brooks stated that at the last meeting the committee asked him what might be the most

productive thing to do right now to help public transportation. He had suggested adopting a state public transportation policy. Using the last legislative proposal as a base, he presented a proposal to answer why Idaho needs a public transportation policy. It provides as follows:

1. It is hereby recognized by the Legislature of the state of Idaho that:

- As the population and economy of the state grow, the total needs for mobility of people and commerce depend upon integrated systems of all transportation modes and cannot be met solely with highway and road systems;
- Motor vehicle congestion and air quality problems may result in some areas which can adversely affect health, safety and economic development;
- There are a variety of persons who are elderly or disabled who are transit-dependent in rural and urban areas or who otherwise require public transportation services for their general welfare and independence; and
- Prosperous commerce and industry depend on efficient regional systems of privately and publicly provided transportation services.

It is further recognized that determining public transportation needs and planning of services to meet those needs vary throughout the state and are best determined by local elements of government, business and citizen groups.

It is therefore declared to be the policy of the state of Idaho to maintain a statewide commitment to improve public transportation services with the proactive support of local and regional entities using state funds in conjunction with federal and local funds.

2. It is the responsibility of the department, with the approval of the board, to implement the policy as described in subsection (1) and in so doing to establish policies and procedures regarding the management and use of state and other funds that come under the administrative control of the department. Such policy could include at least the following elements:

- Support programs to promote cooperation between governmental and non-governmental entities for regional coordination of public transportation services;
- Support public information programs and local public transportation planning in order to promote awareness and use of public transportation services;
- Encourage the use of transportation alternatives to the use of motor vehicles for transporting only one occupant in order to mitigate motor vehicle congestion and to promote energy conservation goals and compliance with clean air standards;
- Support and assist the efforts of local governments to form both regional transportation authorities as provided in Chapter 21, Title 40, *Idaho Code*, and public transportation programs through the use of intergovernmental agreements entered into between local units of government;
- Promote cooperative agreements between public and private transportation providers to minimize duplications in transportation services; and
- Foster private/public partnerships for provision of public transportation projects and services

permitted by federal and state law.

Senator Calabretta commented that a challenge in rural areas is to allow people to live independently, the elderly possibly having limited resources or income, and asked **General Brooks** how that has been addressed in the proposed policy since there are fewer numbers of people in rural areas. His response was that there is great concern for the public transportation needs in the rural areas and stated there is a limited amount of federal funding available each year for rural transportation. By U.S. definition, it applies to all areas of the state that do not have an urban population of 50,000 or more, so it covers most of the state. In addition to that, there is a program for just senior centers and the disabled, but the problem with all of these is the match. Uncle Sam will pay 80% of the capital requirements to buy a van or bus for seniors in a rural area, but the challenge is to find the funding to operate that van or bus. The state does have a limited amount of money for helping buy vehicles and ITD does spend about \$312,000 a year assisting in the purchase of vehicles, and most have gone to the rural areas.

Senator Calabretta asked what type of strings ITD puts on programs to enforce discussions to promote cooperation between entities for regional coordination of the actual transportation of people? **General Brooks** answered that within the grant program for federal funds, there is a requirement that anyone applying for a grant must coordinate locally with all of the other entities in the transportation business, those who want to be or have an interest in the services that will be provided with those grant funds should they receive them. This provision for coordinating at the local level is a bit impromptu, and the person asking for the money also takes on the responsibility for being sure that what they are proposing to do is coordinated. On a larger scale, that is what a regional transit authority would do.

Senator Bunderson inquired about the objections years ago to a statewide public transportation policy and asked if the proposed policy presented today satisfies those objections? **General Brooks** responded that he did not know what the objections were; he assumed there were not too many because the House passed the policy legislation, so whatever major objections there may have been were probably addressed satisfactorily. If there were a problem in the Senate, he was not aware of it since there was no hearing. There were no questions about the policy legislation they had proposed that they could not answer; he was not aware of any serious objection at that time.

Representative Langhorst asked **General Brooks** if the current policy goes further than it did in the early 1990's. Does this policy better define the role of the state and is this the recommendation for the committee to send to the legislature? **General Brooks** answered that yes, this policy has been reviewed by ITD and other entities in the transportation business and that recommending this policy would be a giant step forward.

Representative Langhorst moved that the interim committee recommend the proposed statewide public transportation policy statement to the Legislative Council or a germane standing committee. The motion was seconded by Senator Williams.

Senator Bunderson offered a substitute motion recommending that the interim committee send

the proposed statewide public transportation policy statement presented by General Brooks to the Legislative Council or a germane standing committee in the form of draft legislation for presentation to the legislature in 2005. Senator Calbretta seconded the substitute motion.

Representative Rydalch asked if the substitute motion regarding policy included problems or perceived air quality problems that might arise with regard to alternative energy. **Senator Bunderson** clarified that his motion covered the policy statement with regard to public transportation only and that the air quality issues were still ahead of the committee on the agenda. **Senator Andreason** commented that this vote on **Senator Bunderson's** substitute motion would be simply a beginning and that additional items could be added as the committee sees fit. **Senator McKenzie** stated that if the substitute motion passes, the committee as a whole or a subcommittee might need to be appointed to further develop draft legislation and the committee would have to meet again regarding the particular language. **Senator Calabretta** requested that if there were additional pieces of draft legislation or policy development regarding air quality, they could be handled separately from this motion.

The substitute motion passed 13-1 on a roll call vote.

Mary Barker, Executive Director, Community Transportation Association of Idaho (CTAI). **Ms. Barker** explained that CTAI is an association of organizations and individuals dedicated to promoting safe, accessible and affordable public transportation for people in Idaho. Their primary goals are to:

- Expand operational skills and expertise of public transportation providers;
- Educate the people of Idaho about public transportation issues and the importance of improved mobility;
- Promote the maintenance, coordination and expansion of public transportation services; and
- Promote the implementation of public policies that foster efficient and effective public transportation services.

At the first interim committee meeting, committee members were in agreement that public transportation is the responsibility of local and regional entities. **Ms. Barker** was asked to take the committee on a brief “tour” of several regional public transportation systems around the state to learn more about the need for public transportation and the important services public transportation providers, both public and private, bring to communities throughout Idaho. Representatives from several of these regions were present to respond to questions. They included:

- Debbie Maxwell, Assistant Director, Treasure Valley Transit (McCall)
- Kelli Fairless, Executive Director, ValleyRide (Treasure Valley)
- Terry Crawford, General Manager, Ketchum Area Rapid Transit (Ketchum/Sun Valley)
- Lynn Seymour, Executive Director, Targhee Regional Public Transportation Authority

Other representatives from Kootenai County, Moscow and Lewiston, Twin Falls and the Magic Valley, and Northeast/Central Idaho were unable to attend. Each of these regions in the state has its

own challenges and situations that shape how they provide transportation; funding is a common issue. Currently, Idaho through these providers obtains \$12.2 million in federal grant money. This is their largest source of funding. However, they received far less than is available due to limited local funds to use as match. The match requirements for federal grant money ranges from 20 to 50 percent. Additional local funding would be used to leverage significantly more federal dollars.

Another issue is that, in many instances, the federal money must be used for capital purchases. Therefore, the providers have a source of money to purchase vehicles, but this resource may go untapped because there isn't enough money to operate the vehicles.

The first stop on **Ms. Barker's** "tour" was Kootenai County which was one of three new urbanized areas designated after the 2000 census. There are a variety of public transportation services in the county, including services within the Coeur d'Alene-Post Falls area, a medical center door-to-door shuttle service, a North Idaho College shuttle, a long-distance non-emergency medical transportation service and a shuttle service from Post Falls to Spokane.

Nelson Nygaard Consulting Associates, as part of its Existing Conditions and Needs Assessment Report for Public Transportation, conducted a telephone survey last spring in the region. Some of the results were:

- Reliance on the private automobile is very high.
- While only 4 percent of respondents said they currently use public transportation, almost one-half stated they or someone in their household would use such a service if convenient. Three out of four of those potential users said they would use it one or more times a week.
- About three or four respondents said that there is a need for new or enhanced services. There was also strong support for public transportation services that connected to Spokane and/or Spokane Transit Authority services.
- When rated against six other governmental services, public transportation came in behind schools, public health and social services.

Public transportation services are under the Kootenai Metropolitan Planning Organization. The planning is supported primarily with federal Urbanized Area Funds with in-kind and cash match from the five cities in the Coeur d'Alene/Post Falls urbanized area. With its current designation as a small urban area, the Kootenai Metropolitan Planning Organization is eligible to receive up to \$750,000 per year in federal funds. However, only 39 percent of the total available federal funds for public transportation is now being leveraged. Since these funds have significant local match requirements, new local sources will need to be identified to take advantage of the full federal allocation.

The second stop on **Ms. Barker's** "tour" was Moscow/Lewiston's Lewis-Clark Valley Metropolitan Planning Organization (MPO) which consists of the urban areas of Nez Perce County, Idaho and Asotin County, Washington with a population of approximately 51,000. The member agencies of the MPO are the cities of Lewiston, Idaho and Clarkston, Washington, and the counties of Nez Perce, Idaho and Asotin, Washington. The availability of federal funds for small urban areas has

paid big dividends for the area. On January 20, 2004, the inaugural run of the Moscow Valley Transit fixed route system took place. When the routes began, Moscow lost the dubious distinction of being the largest city in Idaho without a fixed-line system. There are two routes, one providing service to the east part of town and one in the west. They are operated by Valley Transit, which also provides fixed-line service in Lewiston. Prior to implementing the Moscow fixed-route system, Valley Transit provided extensive dial-a-ride service, with riders having to schedule their trips at least 24 hours in advance. Also, the Wheatland Express provides service connecting the University of Idaho and Washington State University nine miles to the west.

The University of Idaho provided soft match with the dollars it currently spends on its contract with the Wheatland Express to provide transit service to students, faculty and staff. U of I and the City of Moscow provided hard match of more than \$60,000. The Moscow fixed-route system has been a big success. The ridership graph for the Moscow fixed route shows the first semester by week, with no data for spring break, and the results of running one bus route over the summer. (A copy of the graph is available in Legislative Services Office.) What is exciting is that the single summer loop did about 30 percent better than anticipated. Also shown are the first two weeks of fall semester, which have set records for ridership. Moscow Valley Transit connects with the Wheatland Express. Classes are cross-listed, and university students from both sides of the border can take advantage of the opposite university's offerings.

Pullman Transit transports over 800,000 yearly, and the Wheatland Express connects with their service in Pullman. People from both communities can now travel extensively in the region.

There has been a steady increase in use for three years with regard to ridership numbers for the Lewis-Clark Valley — Lewiston, Idaho, Clarkston, Washington and Asotin, Washington. People travel from 6 a.m. until 6 p.m. Monday through Friday to access jobs, medical appointments, or one of several institutions of higher education located in the valley.

The third stop on **Ms. Barker's** "tour" was McCall, Idaho which has had public transportation services for 16 months. It is one of the smallest cities in Idaho to have a fixed route system. In June of 2003, Treasure Valley Transit, a non-profit company based in Nampa, conducted a survey for the City of McCall. The goal was to see how many residents would be interested in a public transit route in their area. Here is what the residents said:

- Eighty-nine percent would support public transportation in McCall.
- More than nine out of 10 respondents would support the city of McCall's financially contributing to the service.
- Nearly three out of four think the service should be year-round.
- Almost everyone agreed that the route should include the medical facilities, senior programs, schools, grocery stores, library, downtown area and the state parks. Some other suggestions included Highway 55, connecting Donnelly and Cascade, Warren Wagon Road and the ski areas.

McCall residents and visitors have embraced the McCall Transit service in growing numbers. In its

first month of operation, 702 people rode the route. A year later, that number had jumped to 1,509. Last month, more than 2,000 people rode the route. The service operates from 7 a.m. to 7 p.m. seven days a week. It was started with federal rural funds. TVT funded the local match through other services it provides. TVT could not provide the local match for the 2005 fiscal year, which begins October 1st. Without local funding, TVT would have looked elsewhere in the district to provide transit service. The city of McCall did agree to provide \$50,000 in funding for McCall Transit for the next fiscal year.

The city of McCall is a resort city with a population of less than 10,000. Under Idaho law, it can take a local option non-property tax to a vote of citizens. The city will place a 3 percent hotel tax question on the November ballot. Public transportation is one of nine beneficiaries of the proposed tax.

The fourth stop on **Ms. Barker's** "tour" was the Treasure Valley which is experiencing unprecedented growth. The growth between 1990 and 2000 was 47 percent region-wide. A variety of public outreach efforts by governmental agencies and private associations in the region show that the quality of the transportation system ranks as one of valley residents' top concerns. The stage is set for increased stress on the transportation system. The combined population of Ada and Canyon counties is expected to grow from 432,345 in the year 2000 to 636,767 in the year 2010, more than a 50 percent increase.

In 1998, 70 percent of the citizens in Ada and Canyon counties voted to form a regional transportation authority to improve and better coordinate public transportation services. In an effort to plan for a future transportation system to meet the growing demands for a variety of transportation services, the region's public transportation authority has conducted a series of planning projects, culminating in a regional operations plan that will be completed in November, 2004.

Treasure Valley residents have expressed their willingness to use public transportation in two key public opinion surveys. In 2002, 600 Ada and Canyon county residents were surveyed. Eighty percent of those surveyed stated they would use public transportation at least once or twice a week. The level of support for public transportation was equal between Ada and Canyon county residents and between urban and rural residents. In 2003, 500 Ada and Canyon county residents indicated strong support for improved transportation options, higher frequencies and more direct services.

The six-year plan being developed by ValleyRide envisions a "bookend scenario" for transit service growth, if additional resources are available. The low-growth scenario has services in every community within the Treasure Valley including a variety of options like inter-county express, vanpools, local fixed-route, flexible-route and demand response service for persons with disabilities. ValleyRide will be working with local agencies and providers to improve transportation services in the rural communities that will feed into the urban network for a seamless transportation system.

The Treasure Valley faces many challenges for maintaining existing services and the development of future services. The Nampa urbanized area has access to approximately \$1 million in federal funds, but only a portion of these are being matched each year. Also, the communities in the Boise urbanized area will no longer be eligible to use the federal dollars for operating. This means the city

of Boise will have to pay an additional \$900,000 each year to maintain existing levels of service.

Cities like Meridian and Eagle cannot start new services with the benefit of federal operating assistance without a local match. The system cannot become integrated without dedicated funding, because services can only be operated in communities that can provide local dollars.

The fifth stop on **Ms. Barker's** "tour" was Ketchum/Sun Valley serviced by the Ketchum Area Rapid Transit (KART) system which is unique in the Idaho public transportation network in that it has benefitted from a local option tax. KART operates a free, year-round transportation busing system with fixed-route service in and around the cities of Sun Valley and Ketchum. The schedule changes according to the season. KART also offers special Americans with Disabilities Act (ADA) services for handicapped riders. In Sun Valley, the local option tax is on lodging, alcohol and retail sales; Ketchum taxes building materials as well. Food and medical are exempt in both jurisdictions. About 25% of the revenue generated by the local option taxes is provided to KART. Local funding makes up about 65% of KART's budget while 20% comes from miscellaneous sources, such as charters and advertising, and 15% from federal grants. One of the reasons fares are not charged is to allow Sun Valley to compete with other ski areas in the state and region. About 60-65% of KART's ridership has historically come during the winter months, but that number is dropping as the ski industry faces a downturn in business and more free parking becomes available. Summer ridership numbers, however, are up. There has been talk about a need to develop a Blaine County transit system, and even the possibility of a regional system that would provide service as far south as Twin Falls. There also is discussion about KART taking over the operations of Peak Bus, which provides transit service in Hailey and Bellevue. Peak Bus has unstable funding sources, so this consolidation is unlikely to occur. If a stable funding source were identified, such as the local option tax in Blaine County, chances would be good that KART would take over Peak Bus operations.

The sixth stop in **Ms. Barker's** "tour" was Twin Falls/Magic Valley. The largest public transportation service provider in this area is called Trans IV. It is a totally demand-response system. Buses operate weekdays in the mornings and afternoons between Twin Falls and Kimberly, Jerome, Wendell, Filer, Buhl, and Gooding. Within Twin Falls, daily scheduled service is available from 7 a.m. to 5:30 p.m. Monday through Friday. These services consider each passenger's daily transportation needs and, with the aid of a computer, individual schedules are worked into flexible routes. Trans IV also operates a dial-a-ride service for the city of Twin Falls that transported 8,497 people last year, many of them wheelchair customers and the elderly.

Trans IV has been in operation since 1979. During the last fiscal year, it provided more than 125,000 rides. More than 60 percent of those rides were to children ages 18 and under. Service was provided to organizations such as the local Boys and Girls Club, the YMCA, and day-care facilities that fall outside the local school bus service area.

Trans IV is part of the College of Southern Idaho's Community Service Program. CSI provides about \$70,000 per year toward the total budget of approximately \$600,000. The city of Twin Falls provides about \$20,000 in funding.

The latest service offered by Trans IV, the Magic Valley Initiative, is designed to help workers dislocated by recent regional plant closings. Last month, Trans IV started running a bus to Burley five days a week to take people from the Job Service Office to the College of Southern Idaho or Twin Falls locations for retraining. Job Service subsidizes the operation costs for its referrals. The general public can ride the bus for \$8 round trip. CSI students can ride the bus for \$3 round trip, with the fare balance paid by CSI.

It is uncertain if the demand is there to support a fixed-route system in Twin Falls. Trans IV recently distributed a survey throughout the community to determine whether there is support. The survey targets the Hispanic and senior populations. Additional funding would be needed for a fixed-route system at a time when existing funding is uncertain. The city of Twin Falls recently discussed cutting its funding level to Trans IV, but its council decided against taking that action.

The seventh stop on **Ms. Barker's** "tour" was the Pocatello region which has one of the more robust small urban transit systems in the state today. Pocatello Regional Transit provides fixed-line service in Pocatello and in Bannock, Power, Bingham and Franklin counties. In 2003, the system provided almost 490,000 rides.

The city of Pocatello contributes more than \$300,000 from general fund accounts to support transit operations in the city. Pocatello's regional model is unique in that communities and rural areas only receive service if local governments contribute match funds to support the service. This model has been very effective and has led to one of the state's most successful transit systems.

The regional system continues to expand. Franklin County service was added in 2002 and Caribou County is expected to start receiving service on October 1st. There also is some service to Oneida County.

A pilot project, sponsored by the Interagency Working Group, brings greater efficiency by making Pocatello Regional Transit the transportation provider for agencies serving Medicaid recipients, seniors and persons with disabilities in a four-county area in southeastern Idaho. Pocatello Regional Transit's demand response system has grown by 10,000 boardings since the project started in 2000. There is some financial support from local governments, but most of the funding comes from federal rural funds and contracts.

The final stop on **Ms. Barker's** "tour" was Idaho Falls. The Targhee Regional Public Transportation Authority (TRPTA) has operated the public transportation system in the Idaho Falls area since July, 2002. Securing local dollars to match federal dollars for operating the system has been a growing problem. On October 1, 2002, TRPTA revamped the existing routes and added a new route. Thanks to a soft match donation of 20 percent of the fair market value, the authority was able to purchase a trucking company's facility for \$1.17 million in 2003.

The authority received \$111,500 in 2003 from the cities of Ammon, Idaho Falls, Iona, and Bonneville County to help operate the transit service. That same year, it also received \$306,000 from the city of Boise in exchange for TRPTA's unmatched 5307 federal small urban funds. The authority

used all the interest earned from the state's Local Government Investment Pool plus \$21,000 of the principal from the Boise funds to subsidize transit service in Idaho Falls.

TRPTA receives approximately \$740,000 in Federal Transit Administration Section 5307 urban funds each year. The financial and operational problems faced by the authority include:

- \$1.3 million in unallocated Section 5307 funds because of a lack of local matching dollars.
- An additional \$740,000 in federal funds in FY 2005 that it will be unable to match with local funds.
- Limited bus service in Idaho Falls. The authority provides service only to the older, poorer section of the city. As a result, residents in these areas who are transit-dependent cannot access the new health facilities, shopping and business facilities and the potential jobs they represent, nor can they get to the new low income/assisted living facilities that are going in the new growth areas around Ammon and Idaho Falls.
- Uncertainty as to where the money will come from to replace the authority's five buses which were purchased in 2002 through a local grant from the CHC Foundation. The buses have a five-year life expectancy and will need to be replaced in 2007.

The authority would like to build an intermodal facility to support the tourist industry as well as the local citizenry. Idaho Falls is part of the designated Greater Teton/Yellowstone Tourist District, which includes parts of Montana and Idaho. Idaho Falls lacks a facility that can accommodate the growing charter bus industry. Idaho Falls has a regional hospital, regional museum, regional airport, and is recognized as a regional shopping center, yet it only has four buses serving Idaho Falls. To adequately serve the urbanized area and grow into an integrated regional system, it must receive adequate local match. The public transportation providers throughout the state do an excellent job given their resources, but the demand for their services is growing.

Ms. Barker referred to an updated version of the funding option section of the Idaho Task Force on Public Transportation Report to the State Legislature, a copy of which is available in Legislative Services Office. The financial statistics contained in the original report were based on information that, in some cases, was several years old. This new section contains financial calculations based on the latest statistical information available. In addition, the revenue projections contained in this updated report are presented by county, not by district. **Ms. Barker** will provide the information by district-by-district upon request.

Senator Goedde commented that \$12.2 million dollars in federal funds were used in the state of Idaho and asked if there were a local match, how much is available? **Ms. Barker** replied that was hard to tell due to the fact that some funding sources have a limited amount and some allow you to ask for as much as is needed, and they will be awarded either the full amount or the limited amount. **Ms. Barker** could research for the committee which federal funding sources do not have a limit.

Representative Bayer asked for clarification with regard to the McCall area data. The high percentage data presented in support of the public transportation system was based on 4.5% of a survey, a very small sampling, and the number of ridership was stated to be 2000 per month. Does

that 2000 represent multiple trips by one individual or 2000 riders, and how many are living in the community versus the tourist factor? **Ms. Barker** answered that 89% of all those surveyed said they would support public transportation in McCall; of all of those surveyed, 9 out of 10 said they would support McCall's financial assistance in support of the service. Three out of four of the responses thought the service should be year-round and are from all those who responded to the survey, not just those who responded positively to having public transportation. **Representative Bayer** asked if the data comes from 4.5% of the submitted surveys and that was affirmed. **Debbie Maxwell** stated that the 2000 per month has been the highest ridership to date and added that most of those are local citizens, and that count is taken as riders board the bus. During the summer months ridership increases due to tourism. There is one ninety-year-old lady who uses the bus daily for appointments and to buy her groceries. Others who have no other means of transportation use the bus to get to and from jobs.

Senator Bunderson asked about local option taxation, the shortfall in a number of communities, and which structure is preferable. A recommendation by the Idaho Task Force on Public Transportation states that local option taxation should be allowed with some specificity as to how that would be structured. **Ms. Barker** said the key issue from her organization which does include most public providers throughout the state, both private and public, is that they have a means of obtaining local funding. The federal funding is there, but they can't access it to the full degree because there isn't any local funding. In many areas there is strong support for local option tax; some areas would try to use it right away and some would wait to use it at a more strategic time for their region. It may be that there are other options that might work slightly better for some providers than a local option tax; however, the general consensus is that having a local option tax available to them is better than not having any ability to raise local funds at all. **Senator Bunderson** stated that local option tax suggests that there is a defined geographical area of citizens that would vote on that and asked how **Ms. Barker** would propose to define that geographical area.

Roy Eiguren, Givens Pursley, who works with the Public Transportation Task Force, responded that the task force looked at eleven different local option funding mechanisms in its report to the legislature in February, 2004, identifying two preferred alternatives: (1) local option basis, a personal property tax on automobiles; and (2) increase in the fees associated with title transfers. In both of those circumstances, the definition of geographical area was never specifically addressed, but in concept the task force was thinking that the citizens in the areas that currently have a regional public transportation authority would vote on a local option tax. An alternative, if there are local units of government such as municipalities and counties that are currently offering such services, would be to tax citizens by their county on a fiscal basis. **Senator Bunderson** stated that the more rural part could appeal to the more urban part to have those services extended to them and asked if that would be a requirement. **Mr. Eiguren** answered that it would be on an optional basis and that the best role model would be Bannock County and Pocatello. The city of Pocatello established the service and then said they would extend that service to other localities based upon their ability and willingness to provide some type of local match for that service.

Representative Rydalch commented that Idaho Falls had a successful community rural transportation system for a number of years and even though it struggled, groups always came

forward to fund it. Then a new group being subsidized tried to take over, but there were not enough riders to support two systems. As a result, all has been lost when before something was working.

Senator Bunderson asked how local option taxation works with a private transportation entity versus public? **Ms. Barker** answered that it was her understanding that the private entities contract for the services they provide so that if a local region can gather funding for a local option tax, they can then use that to contract with a private provider to provide the services. Communication has been very good between private and public providers and the local governments; private providers are involved in discussions as to what the needs are for local public transportation.

Senator Calabretta asked to what degree these programs link up with, duplicate or embrace senior services or is the senior population serviced through the Commission on Aging? **Ms. Barker** answered that there is a pilot project in Pocatello where agencies that provide services for the aging or disabled are consolidating their transportation services into one that is more efficient and better funded. The Pocatello system started in 2000 has been very successful; the Interagency Working Group which sponsored their project consists of members from the Commission on Aging, the Department of Education, ITD and **Ms. Barker** is a member representing the public transportation providers. That group is in the process of taking the results of the Pocatello project to other areas throughout the state so it can be used as a model, since it has been very effective.

Senator Goedde asked **Larry Falkner, ITD**, to answer his earlier question about federal funds that come into the state, especially in urbanized areas. **Mr. Falkner** responded that funds come by formula. Idaho Falls was an example; two years ago the Federal Transit Administration changed its rules to require that after money was obligated, recipients have only three years to match and spend it. Before, money went into a pool for use when matched. Next fall, Targhee Regional Transit could lose a significant amount, so it is important for them to find some way to match those funds. There are options; perhaps there are areas in the state that could use those funds or things can be done working through this proposed board to make a difference. Coeur d'Alene is going to have the same problem. It would be a shame to lose those federal funds to other parts of the nation. The amount of money that could be lost is in the neighborhood of \$750,000.

Senator Bunderson asked how efficiently public transportation dollars were now being spent and if public transportation services were increased from through local option taxing and matching, how would that affect the need for other expenditures? Also, how will this be put together so as to prevent "layering"? **Mr. Falkner** clarified that there are eight state agencies involved in either prearranged, contracted client transportation for education or Medicaid; on the other hand, there is public transportation where anyone can ride for a fee. The \$100 million talked about in that area is being made more effective and efficient as code directs; that \$100 million is not all state funds, \$65 million being for the school system. Great progress is being made in coordinating money and services. Duplication of services in Orofino used to cost \$90,000; by using school buses, the result created a savings of \$66,000. A performance program will measure results regarding effectiveness. A national firm has picked a northern Idaho site to look at making things more efficient nationwide. Public transit providers are effective and efficient, and coordination is taking place with local option funding; with leveraging, it will become even better.

Representative Rydalch asked what part ITD had in bringing this new group into Idaho Falls and ousting the existing group? **Mr. Falkner** answered that ITD worked with the Regional Transit Authority with federal funds and they are working with another provider in the area called Community Area Rapid Transit (CART) to see if they can get those two entities to combine; that would make a significant difference. **Representative Rydalch** again asked what part ITD played in that community group that was working well until the other group took over. **Mr. Falkner** answered that he did not know the specifics of that; the only two ITD dealt with were Targhee and CART. Part of the problem is due to federal rules and the way money has to be expended. For example, Canyon county was rural and is now urbanized. They have lost a lot of flexibility and where there was a demand-response system to move those people, now it is a fixed-route and that makes a difference. **Mr. Falkner** is not sure that ITD had anything to do with making that entity unsuccessful; federal rules come with the money and dictate how the money can be expended. **Representative Rydalch** asked **Mr. Falkner** to provide her with a written response regarding ITD's involvement, how the situation developed and who was behind it.

Senator Calabretta emphasized that the situation mentioned by **Representative Rydalch** has brought attention to a matter that may be an important problem. As the legislature addresses statewide how to make a functional system, the matter of turf and pre-existing services or providers that may be doing well must be considered and the process by which the state moves from the inefficiencies of separate services to a coordinated service is a challenge. She asked **Mr. Falkner** about senior services as they approach the Orofino/Kooskia project and how ITD is dealing with the aging population and those services. **Mr. Falkner** stated that the aging population is high on ITD's priority list and the major reason for the pilot project is to determine how the eight state agencies involved in this can work with the Commission on Aging and with providers in the area. ITD is fully aware if they can allow people to remain independent in their own homes, there is a significant savings to the state versus becoming dependent on the state. ITD is incorporating new technologies to make vehicles more efficient; utilizing school buses could be a part of that. The governor suggested using idle school buses during the day to pick up and deliver groceries and pharmaceutical needs for the elderly or disabled; all those things are being considered. On September 29, 2004, ITD will give its annual presentation to all the agency directors. The senior and disabled population segment will be a significant part of the presentation.

Ms. Barker introduced **Elaine Clegg, Co-Executive Director of Idaho Smart Growth**. **Ms. Clegg** looked at bus ridership in urban areas similar to Boise. The question she sought to answer was, "Is it true that people love their cars so much that they will not ride public transportation?" **Ms. Clegg** examined twenty-two metro regions including Boise, Idaho Falls and Pocatello. The metro regions chosen bracketed the Boise metro area in population. In addition, three smaller metro regions were added as comparisons to the smaller metro regions in Idaho and two larger western metros were examined. Data was based on 2002 reporting to the National Transit Database. Reporting was collected on: population; transit ridership expressed in passenger trips; transit service expressed in revenue hours of service provided; and revenue sources available for use on operating expenses expressed in fares, local operating funds, state operating funds, federal operating funds, and other.

Data from cities that are peers to cities in Idaho demonstrate that ridership is not a mythical

unknown, but that it does correlate to service provided. Cities with better bus service as measured in service hours per capita attract higher ridership per capita in general. The Idaho regions examined provided little service and attracted few riders. Usually, the more service you provide, the more riders you have.

Ms. Clegg referred to a chart showing cities with the higher number of trips per capita to lower trips per capita and how that compares to funding sources. Idaho metro regions did not spend much on providing transit services, especially when compared with other metro regions. That lack of transit service is becoming an important economic development factor in the Boise Metro region. Quality of life in the Treasure Valley was rated good, but the lack of an adequate public transportation system is clearly a problem.

In general, cities that generate more than .15 trips per capita also have access to considerably more local and/or state funding than regions which generate fewer riders. It is clear that those areas which were able to offer more hours of service and thus attract more riders had access to more local and/or state funding. In conclusion, **Ms. Clegg** said that if you build it, they will ride. This is as true for metro regions in the west as it is for those elsewhere. While no one is asking that westerners give up their cars, riding transit is an option they will consider if a transit option is available to them. Data tables show ridership and operating revenue sources for twenty-two cities.

Representative Rydalch asked **Ms. Clegg** how long Idaho Smart Growth has been in existence, how were they formed, how are they funded, and with whom is she co-executive director? **Ms. Clegg** responded that Idaho Smart Growth was formed in 1996 as a non-profit grassroots organization dealing with consequences of growth in their own region and recognized the need to analyze that growth. There is a board of seven people including elected officials. The work they do is mainly research and education. Funding is the same as 99% of non-profits; some comes from private foundations, some from corporate contributions and a great deal from private individuals. Idaho Smart Growth receives some government grants. **Representative Rydalch** asked if they work primarily in the Treasure Valley, and the response was that they have worked in the Treasure Valley. She referred committee members to the website “www.tvfutures.org” for additional information. Currently **Ms. Clegg** is working on a safe school-crossing project in Ammon about a school-crossing road that is being widened. **Jon Barrett**, a professional planner is the other co-executive director. Forums are held around the state by Idaho Smart Growth about growth management, and they work with local funding sources and city officials. Their website, “www.idahosmartgrowth.org” describes projects, board members and staff. A copy of **Ms. Clegg’s** “Debunking Myths: If We Build It - Will Westerners Ride?” is available in Legislative Services Office.

Mr. Roy Eiguren of Givens Pursley and Legislative Counsel to ValleyRide, spoke in his capacity as **counsel to Amalgamated Sugar**. At the meeting of August 3, 2004, **Mr. Rob Sterling** spoke about manufacturing facilities and their effect on local air quality. Amalgamated Sugar has invested about \$14 million in its Nampa facility to enhance air quality in the Treasure Valley airshed. Amalgamated Sugar is a relatively small contributor to the overall problem of poor air quality in the valley, and is concerned that there needs to be some mechanism to address air quality on a broader-based scale in this particular airshed.

As a result of discussions between interested parties including local governmental officials as well as representatives from industry and other groups, **Mr. Eiguren** presented to the committee a draft proposal for legislation entitled “Treasure Valley Air Quality Act” which is modeled after a very successful law on water quality. **Mr. Eiguren** explained this draft legislation establishes a Treasure Valley Air Quality Council composed of a number of individuals appointed by the governor from different parts of the region with different backgrounds. The duties of the council would be fairly broad and it would be authorized to conduct a comprehensive study of air quality in the Treasure Valley area and, in turn, develop a program to the greatest extent practicable that would be followed by local and state units of government, and to the extent possible, federal units of government. The idea is to establish a process where all interested stakeholders in the whole issue of Treasure Valley air quality would have the opportunity to sit down and come to a regional consensus of the process, then develop a comprehensive plan to deal with the various types of air pollutants in the airshed. This draft legislation is necessary; the Treasure Valley airshed is facing a significant problem relative to the ozone as well as particulate matter. If the problem continues to progress, as it appears it will, there is a significant risk that the region could go into non-attainment under the Federal Clean Air Act which means that the federal government with the Environmental Protection Agency would step in with extraordinary authority under federal law to mandate a variety of different actions designed to deal with air quality deterioration. This council made up of local units of government with local citizens, local businesses and industry, agriculture and environmental community members would work together to develop a plan that could preclude going into non-attainment. A copy of the proposed “Treasure Valley Air Quality Act” is available in Legislative Services Office.

Mr. Pete Chertudi, Senior Vice President, Amalgamated Sugar, explained that there is a corridor between Boise and Caldwell that is highly saturated with motor vehicles and emissions. When a study was conducted to determine the contributors to the Treasure Valley airshed emissions, industry, of which Amalgamated is only a part, represents 3% of those emissions; 97% of the emissions come from other than industry and the major part of that 97% is motor vehicle emissions. Industry, unlike the 97%, is highly regulated by DEQ and EPA so Amalgamated sees itself as a regulated island surrounded by a sea of unregulated emitters. Amalgamated, at considerable expense, changed from a direct furnace drying methodology to a newly-invented technology which dries pulp by steam drying. This helped to reduce a part of that 3% emission problem; the other 97% of the problem is totally unregulated. When Amalgamated analyzed the situation, it found the facts show the current 300,000 population between the Nampa, Caldwell and Boise area is going to double by 2010, and they ask themselves if it is time to close or work earnestly with the state and fight. Their choice is to stay, adamant that they have the right to continue business, but that cannot happen unless Amalgamated has answers to existing problems. If Amalgamated is now spending \$14 million to reduce the emissions by 600 tons per year, yet the population and the number of vehicles continue to grow, what are they going to do, spend another \$14 million to reduce emissions by 100 tons? Now they have investments with very little result, and if they continue that way, they will for sure have to close.

Mr. Chertudi was very interested in the presentations about public transportation. If there were a way to convert transportation from 30 cars to one bus carrying 30 people between Caldwell and

Boise, much of the emission problem would be reduced by 30 times; this would be a much better solution than spending millions of dollars chasing the dream for fewer emissions. Amalgamated endorsed the testing program and there was a reason for that; the testing program is only a part of the entire parcel. Amalgamated also endorses the mass transit program in the area that is under discussion and is sure there are other solutions to this problem yet to be discussed; this is why Amalgamated fully endorses this draft legislation being proposed.

Senator Bunderson commented that the draft legislation addresses an air quality plan and this committee is a transportation and air quality committee. One of the largest contributors to poor air quality is vehicle emissions, and although this committee has the power to recommend, it doesn't have the power to implement. What, then, do they expect of this committee to correct that air quality concern?

Mr. Rob Sterling, Corporate Manager for Environment and Safety, Micron Technology, responded that for the past 3-5 years there has been much discussion about air quality in the Treasure Valley, and he believes the missing link is the lack of action. The key difference with this draft proposal is that the plan provides for adopting specific recommendations for local and state government agencies to implement to effect air quality improvements, whether they be transit related or otherwise, and requires those agencies to inform the council created by this plan if an agency does not intend to implement the recommendations made by the council. It requires those agencies to evaluate the recommendations and respond accordingly to adopt them, or if it chooses not to adopt, to provide a written response as to why they chose not to. Micron, looking at the Treasure Valley landscape, has held many discussions in different forums. This council could provide a single place for all the stakeholders to come together and talk about meaningful changes that could be made practicably to affect air quality. Timing is of the essence because the growth continues to occur and something needs to be done proactively to avoid non-attainment designations, the loss of local control, or incur increased costs like those of Amalgamated. These things need to be addressed, and hopefully proactively avoided. This council is one way to help with that.

Senator Andreason congratulated Amalgamated and other industries for their efforts and expenditures made to help with this problem. He said that Ada County is doing quite well requiring inspections for automobiles traveling within the Treasure Valley. Attention should be directed to the fact that Canyon County does not have a requirement for vehicle emissions inspections and said the valley needs to meet this problem head-on. This proposed council could be the kind of organization within which governmental units and interested parties could put together actual legislation to be submitted for review.

Representative Langhorst commented that he previously presented a bill to address emissions in the Treasure Valley which was controversial; had there been more time, he would have gathered more information from people in the Treasure Valley. He took the available information he had, which seemed to be ample at the time, and went after the source, auto emissions; however there are other sources of pollutants. It is about looking at every possible source of emissions, every possible solution, and having the science behind it as well as all the necessary people at the table to back legislation so that when it is presented, it is passable.

With that in mind, **Representative Langhorst** moved to send this model piece of legislation to the **First Regular Session of the 58th Idaho Legislature** as the committee's recommendation to address the air problem in the Treasure Valley so that all residents of the Treasure Valley can be involved in the solution. **Representative Elaine Smith** seconded the motion.

Senator Bunderson expressed reservations about the model legislation in its current form. He noted that the plan, once adopted by the legislature, will have the force and effect of law. If an entity chose not to adopt council recommendations, would there be any penalties? Could possible penalties be imposed with existing law if a majority of citizens refuse to go along? **Mr. Eiguren** pointed out that the concept of the draft allows for adoption of a plan and comes with the opportunity to participate in the actual formation of the plan. Secondly, as to whether or not local units of government or other entities would have to follow the plan as eluded to by **Mr. Sterling**, the concept would be that those units of government would have to follow the plan to the greatest extent practicable; if they don't choose to participate in the plan, they would have to present a list of specific, written reasons why they are not going to adopt that portion of the plan. The point of the model legislation is to strike a careful balance between state policy and local implementation.

Mr. Eiguren continued, stating that it was not their intent in presenting this draft legislation to necessarily have it sent as is to the next session, but would recommend that if the committee is working on the other legislation, that previously was voted upon in concept, perhaps this draft could be used as a starting point. Individuals in the committee and others between now and the coming legislative session can rework this draft to achieve consensus. There has already been some discussion between Amalgamated, Micron as well as other interested parties such as DEQ. They support the concept, as do some Ada county governmental leaders. More people may need to be involved in reworking this draft to get it into a form acceptable to the broader-based community.

Representative Wood referred to the makeup of the proposed council membership, commenting that she didn't see the Idaho Transportation Department listed at all or Ada County Highway District, two agencies which should be very involved. She asked how they were going to involve the legislature when it calls for the governor to appoint the entire council. Since a dedicated fund would be created in the state treasury, will the legislature's only involvement be to provide money?" **Mr. Eiguren** answered "no it is not"; the legislature would obviously participate in the actual drafting and enactment of the legislation, and this draft is simply a starting point or a conceptual guide based on a very successful approach used elsewhere in the state. The governor would make the appointments as was done under the other model. Arguably, you could put in a Senate confirmation process which is done for some executive appointments, even though they chose not to do that here, but it is a possibility. As to the funding mechanism, **Mr. Eiguren** stated that the concept was to use what was done in the Big Payette Lake Water Quality Plan, which was to create an account in the state treasury that would allow moneys from not only the appropriation but grants, gifts, donations or use fees or other sources that may be authorized by the legislature. It would be their intent to not have the state exclusively fund this effort, but rather other sources would be utilized including grants from industry and federal funds if available.

Representative Wood asked **Mr. Eiguren** if he envisions using any of the Congestion Mitigation

for Air Quality (CMAQ) funds and the answer was that he was not familiar with those funds and they have not gotten into that level of analysis at this point. **Representative Wood** commented that she had a copy of CMAQ's budget in the amount of \$4,669,000 this year. Such funds are passed through by ITD, leaving one to question why another whole council needs to be formed when Ada County Highway District and ITD, with the city of Boise, Caldwell and Nampa can decide how to utilize the money they currently have. **Mr. Eiguren** commented that her idea would address only a narrow part of the overall problem as indicated by the presentations given. The problem they see from point of view of regulated industry that operates in the valley is there is not a central forum within which all the different stakeholders can assemble to comprehensively address the problem of air quality in the valley. The Ada County Highway District and ITD would address it from a view of transportation plan but other environmental issues would perhaps not be addressed. As previously noted, there are multiple sources of pollution beyond what automobiles contribute and the draft's concept would be that a larger perspective would be included in this planning process.

Mr. Sterling added that CMAQ funds are very limited in their usage, so the notion that this council would be able to make specific recommendations that may be funded by CMAQ funds is possible but would only be limited to that category of events that are authorized to be funded. There may be other solutions as pointed out that may be recommended, but other funding solutions would have to be explored. There are many cases where local governments choose to take particular actions under the state constitution and statutes that require legislative approval. As the proposed council would move forward with recommendations, there would be ample opportunity, depending upon the scope of this recommendation, for the legislature to clearly have a role in the review and approval process.

In response to questions by **Representative Wood**, **Mr. Eiguren** said it was his intention that leadership would determine which committees would review this draft legislation as it moves through the process. With regard to DEQ, they are included for several reasons: (1) The state constitution requires that there not be more than twenty departments or agencies of government, so as a matter of statutory drafting, it is necessary to include these types of entities who have been one of the twenty departments of state government, but because it was an environmental issue they chose DEQ to administratively structure it through them. Arguably the draft could be structured within ITD or Department of Commerce and Labor. (2) DEQ would also be the agency to support the council in terms of sending meeting notices and those types of administrative details. (3) Senate Concurrent Resolution No.132 creates this committee which can make recommendations for legislation if deemed appropriate and the draft legislation can be looked upon as a conceptual starting point for all parties of interest to rework prior to the next meeting.

Representative Crow commented that she found two things missing from this draft that made the Big Payette Lake Water Quality Act a success: one is that every year the Big Payette Lake group was required to report to the germane committee what they had done and why, and the legislature had the opportunity at that point to step in and change anything not going well, meaning oversight of the process was important; and there was never a state appropriation to the Big Payette and that was what made it so absolutely interesting and such a huge success because people got together and did something on their own. Mr. Johnson was so exuberant about his operation and she supported his idea and it worked out beautifully; everything they said they would do was done. They did report every

year and they never asked for state funds, even though they had a fund within the state treasury; it was their own money and it was responsibly handled. **Representative Crow** is concerned that those elements are not in the proposed draft legislation. **Mr. Eiguren** added that those two provisions could be included, and agreed that reporting to germane committees is important. The language in the proposed draft as to the account in the state treasury is identical to what the Big Payette Lake Act was, but they consciously chose not to seek appropriations. Other adjustments can be made as well. **Mr. Eiguren** thinks what is missing is the forum within which all the stakeholders can get together to address these issues in a comprehensive way. The final point made was that this council, like the Big Payette Lake, does have built into it an automatic sunset; this council would sunset in seven years. **Representative Crow** emphasized that this committee and certainly the legislature should be interested in appropriations since it is a major issue in making this draft more acceptable; she suggested those two points should be included in the draft.

Representative Langhorst asked if there were going to be another meeting of this interim committee and the response was that it seems another meeting would allow the committee to address draft legislation. **Representative Langhorst withdrew his motion with the permission of the chair and his second, Representative Smith.**

Representative Langhorst moved that a subcommittee be formed to work on the language of this draft proposal for presentation in legislative format to the interim committee at another meeting. Representative Crow seconded the motion.

Senator Calabretta stated that the scenario of air pollution in the valley is similar to her district's 3% contamination in the Coeur d'Alene area by mining companies who are subject to very restrictive regulations. She prefers that DEQ be a lead in the council, with ITD having a significant partnership role. She asked if it were Mr. Eiguren's intent, with consideration for the public, to have a citizen's advisory committee or would all meetings be open to the public? She stated that maximum citizen involvement would be ideal. **Mr. Eiguren** assured her that everyone working with the subcommittee would make sure that it was very clear that the open meeting statute applies and perhaps they could add what is in the Big Payette Lake Act, which combines a citizen's advisory committee as well as a technical committee.

Senator Andreason pointed out that **Mr. Eiguren's** draft proposal was a conceptual idea that needs more work and that a subcommittee could do that work. Payette Lake was Payette Lake and right now the air pollution the committee is concerned about is in the Treasure Valley but it won't be that way for long. At some point other areas of the state will be experiencing those same concerns about air quality and care needs to be taken in drafting legislation to allow addressing those other areas of the state that will be involved with air quality.

Mr. Chertudi added that there are many sources of emissions: automobiles, industry, agriculture, dust, wood burning stoves, out of control practices and others. Amalgamated proposed that something needs to be promulgated whereby studies, evaluations and implementations can be put into place before it becomes too late for industry to survive. The time is now.

Senator Goedde stated that he would find this draft legislation less offensive if the appropriation portion were taken out. Noting there are other areas of the state that have air quality problems, he suggested this be drafted with a more open framework so that it could be used in other areas of the state, rather than being directed specifically to Ada and Canyon counties. It might not pass the constitutional test as drafted. **Mr. Eiguren** answered that he thought it would pass the constitutional test because they have done this for other parts of the state, but he agreed it would not be difficult to draft this in the form of an open framework so that all affected areas could participate.

Senator Bunderson stated that this committee could not make appropriations and they would make their own decisions on whether appropriation is required or not; so, whether the language is in the draft or not really is a moot point, because it does not cause any expenditure of funds. He suggested that the application of this concept also needs boundaries for analytical purposes. A draft can be a model for one area and that model can be used elsewhere with modifications. He expressed concern about handling air quality due to overlaying entities such as COMPASS. How does one area's problem relate to COMPASS and their planning? If ITD has an idea to reduce congestion on the roads, then how does that tie to public transportation, widening and new corridors? People are moving out further, but driving longer distances to work and schools is adding to road congestion. If projections are correct, problems will soon be compounded, so how will this proposed council relate to those other agencies who have to make decisions that will directly impact the conclusions that this committee will make?

Mr. Eiguren responded that all those entities or agencies will be included in this proposed council and it will be a broad-based group. The reason for the proposed legislation is there is not currently a forum or mechanism to incorporate all these different functions and there needs to be a cohesive whole to address the entire issue of air quality; that is why they think this proposed legislation is very necessary. The concept has been captured, but the draft can be made clearer and expanded upon.

Following the discussion, the vote was called on **Representative Langhorst's motion that a subcommittee be formed to draft legislation creating a "Treasure Valley Air Quality Act" using the model offered by Mr. Eiguren, but expanding the legislation to include or be adaptable to any area of the state to which it might apply. The draft should be in legislative format for presentation to the interim committee at another meeting. The motion passed unanimously on a voice vote.**

Senator Williams moved that this committee formulate a recommendation which encourages development of alternative fuels including a 10% ethanol blend for production and use in Idaho, using the Minnesota model and any others currently under consideration in other states.

Senator Bunderson suggested modifying **Senator Williams'** motion to include that the committee develop a policy as suggested in his written Recommendation #3 to the committee. **Senator Williams** agreed.

The motion before the committee is: **This interim committee should formulate a recommendation which encourages development of alternative fuels including a 10% ethanol blend for**

production and use in Idaho, using the Minnesota model and any others currently under consideration in other states. The recommendation should be expanded to include establishing a policy as suggested by Senator Bunderson in #3 of his Recommendations. Senator Andreason seconded the motion.

In response to a question by **Representative Rydalch** asking whether the alternative energy and renewable fuels are for vehicle use only or will that be broadened to include wind, geothermal or any other energy source, **Senator Bunderson** responded that his recommendation to establish policy regarding ethanol and other alternative and renewable fuels produced in Idaho is directed for use in vehicles, but the policy should encompass other energy sources. Lexus has a new car soon to be released which uses both electricity and gasoline; hydrogen looks like a fuel we'll be using in the future; and atomic energy may be used to produce hydrogen out of water. Idaho is one of the few states that does not have a renewable energy policy.

The motion passed unanimously on a voice vote. The co-chairs indicated an intent to appoint a subcommittee to develop draft legislation based on the motion.

Senator Bunderson had prepared and distributed to committee members his suggested findings and recommendations for the committee's consideration entitled "JOINT LEGISLATIVE INTERIM COMMITTEE ON PUBLIC TRANSPORTATION AND AIR QUALITY - Committee Recommendations/Suggested Findings and Recommendations by Senator Hal Bunderson" dated September 14, 2004, a copy of which is available in Legislative Services Office. He directed the committee to Items 4 and 5 under "Recommendations," and suggested that this committee recommend the formation of a task force to address such questions as how public transportation is going to be funded. Enforcement is an integral part of the picture, but without funding, what happens to enforcement?

Fuel taxes and registration fees must be used for roads. However, with alternative fuels and more vehicles on the road becoming a reality, Idaho needs to develop a plan to accommodate the effects. If a citizen purchases an electric vehicle, no fuel taxes will be paid, just a small registration fee, and yet that vehicle is being used on the roads of Idaho. There should by some type of policy in place to address this. ITD has a short-term financing methodology which is pay-as-you-go; if there is a problem, schedules have to be readjusted in order to address the question. Most business have both a long-term and a short-term strategy. One idea that has been proposed is GARVEE bonding wherein a portion of federal fuel taxes are used in today's environment to leverage interest rates with a 12-13 times multiple. Nobody wants to raise taxes, so GARVEE bonding is an opportunity to fix a problem without raising taxes. If these problems are not fixed, Idaho has cast a vote for the status quo.

Senator Bunderson recommended that this committee come forth with such an idea or a similar one. Emissions trading as a tool to reduce the risk of air quality non-attainment should be given more consideration. Where should new corridors be? What are the Treasure Valley, Magic Valley and northern Idaho going to look like in 2050 and what is going to be necessary to move people efficiently as growth occurs? What type of public transportation and growth infrastructure does Idaho need? We do not have a long-range, all-encompassing plan of what Idaho's transportation

infrastructure looks like to enable us to handle an influx of double the population in a relatively short period of time. This committee needs to make a recommendation which brings all the stakeholders, local governments as well as industry and the legislature together with a plan so that everyone understands what Idaho will look like in 2050 and what kind of structure Idaho needs to have to assure quality of life that we've come to enjoy and which we want to perpetuate.

Senator Bunderson moved that the committee draft legislation in the form of a concurrent resolution creating an interim committee whose charge is to create a master plan for long-range planning of a transportation infrastructure adequate to accommodate expected growth and the impact of such growth on air quality, public transportation needs and energy requirements in order to protect our economic base. The motion was seconded by Representative Rydalph.

Representative Wood commented that there is a planning department in ITD that does this planning, including a 5-10-20 year plan; so it cannot be said there is no long-term planning. Also, the Local Highway Technical Assistance Council is the advisor to local governments with considerable money appropriated annually for their work. There is local and state planning for transportation in Idaho.

Senator Bunderson stated that he had done some investigation into this and he would like to see a map of what Idaho is going to look like, given the population growth that is expected; there is no such map. He does not believe there is an integrated, cohesive plan, only pieces of work being done here and there. What is going to underpin the economy of this state 20 and 50 years from now? Does the infrastructure complement that and does current planning support that? If there is planning, he suspects it is inefficient. **Senator Bunderson** added that he had requested COMPASS to produce a long-range plan so that when complaints arise about congested traffic and safety, answers about future planning could be answered. What is the infrastructure going to look like in Idaho and how are corridors going to be preserved? Do our laws allow preservation of those corridors at a reasonable price? At this point, the answers to those questions are not affirmative.

Representative Wood responded that the germane legislative transportation committees have looked at that and the committees have given direction to ITD for land acquisition, empowering them to do what they need to do, in a quiet manner so that land speculators don't cause prices to rise. The committees have been informed that those plans are in place. **Representative Wood** was not sure that this committee should go forward with **Senator Bunderson's** suggestions without first asking ITD to provide the committee with their planning information, because it is available. ITD has done a good job of planning for the future.

Senator Calabretta stated that because she serves on the Joint Finance Appropriations Committee and on the Senate Transportation committee, she understands ITD's role and believes ITD has moved forward on planning. She agrees with **Representative Wood**, and noted that in ITD's effort to establish a base of understanding in planning and public support, ITD has held public hearings around the state. Those meetings and ITD's actions have been challenged by some legislators; some think ITD has somehow promoted themselves or promoted taxation. However it appears, ITD needs to make sure legislators have a better understanding in order to set aside the challenges and move forward.

Senator Bunderson's motion passed on a voice vote.

Senator McKenzie asked **Senator Bunderson** to prepare specific language to implement his motion and it was agreed that a concurrent resolution would be prepared.

Senator McKenzie identified the materials, starting with the article entitled "You read it here first: EPA says air is cleaner," as being provided by Mr. Charles Johnson, a Nampa resident, which were distributed to the committee at Mr. Johnson's request. A copy is available in Legislative Services Office.

It was agreed that the co-chairs would discuss appointment of subcommittees and set a date and time for another meeting.

The meeting was adjourned at 12:25 p.m.